Secondly, as the hon. Minister has rightly said, it is a State Subject. I wanted to know whether this Government will take initiative to re-convene a meeting of the State Chief Ministers or Finance Ministers to discuss this subject afresh and take an early decision in this regard because this sort of variation in taxes is increasing corruption. Sir, in places like Pondicherry and I have experienced in Yanam—it is like a ward in a Municipality—at Kakinada where most of the people go to Yanam and purchase vehicles and other important goods and come back to Andhra Pradesh. Sir, the tax is less in Yanam and more in Andhra Pradesh. There is evasion of tax, there is blackmarketing and corruption is also involved in this. In view of this, will the hon. Minister expedite the process of trying to convince the States either to have a uniform sales tax rate or altogether to do it away.

SHRI R. JANARTHANAM: Sir, the hon. Member, just to prevent corruption, is asking us to do it away with the sales tax. There is corruption everywhere. Even in evasion of excise duty, there is corruption. Therefore, it does not mean that if we abolish sales tax totally, corruption would completely be abolished. Corruption is a separate subject and taxation is a separate subject. Therefore, I would just like to inform the hon. Member that just by avoiding sales tax, we cannot abolish corruption... (*interruptions*)... We have four Zonal Committees...(*interruptions*)... We are encouraging the States to have a uniform tax but since it is a State Subject, it is entirely for the State Government concerned to decide. Sir, in the Chief Ministers meeting, the hon. Finance Minister has said that there is some understanding between the Chief Ministers but I think, they have not yet come to a conclusion. Sir, Shri Rajaji had brought this sales tax in 1936 when I was a student. It was only half-a-paisa per rupee. Now the sales tax has gone to such an extent that it has become a *Kamadhenu* for the Government. Therefore, the States will not abolish sales tax but we will try to abolish corruption step by step.

Airport infrastructure policy

*183. SHRI S. M. KRISHNA: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether airport infrastructure policy envisages development of some airports as international hubs; and

(b) if so, the details thereof together with the names of airports being considered for the purpose?

THE MINISTER OF CIVIL AVIATION (SHRI ANANTH KUMAR): (a) and (b) The policy on Airport Infrastructure has recognised that the existing 5 international airports at Delhi, Mumbai, Calcutta, Chennai and Thiruvananthapuram can be classified as international hubs in terms of facilities provided. Bangalore, Hyderabad, Ahmedabad, Amritsar and Guwahati can be added to the list as and when facilities are upgraded to the desired level.

SHRI S. M. KRISHNA: Sir, in November, 1997, the previous Government took a major decision about infrastructure policy for airports. One specific area which causes some security concern for all of us was that 74% foreign equity would be allowed for automatic approval and if it is 100% equity in terms of foreign investment, it would be examined on a case-to-case basis. I would like to know from the hon. Minister as to what the policy of the present Government is, with reference to the foreign private investment in our infrastructure with particular reference to airports.

SHRI ANANTH KUMAR: Sir, already there is an existing policy on the airport infrastructure which clearly notified that 74% foreign equity would be allowed for automatic approval and if it is 100% equity, it would be examined on a case-to-case basis with a special clearance. I think, this continues to be the Government's policy.

SHRI S. M. KRISHNA: Sir, the successive Ministers for Aviation have created enough confusion in terms of Bangalore International Airport. The State Government has been toying with an idea of having an airport in Devanahalli with Tatas collaborating with some Singapore-based company. Now, the present Civil Aviation Minister has made an announcement to the effect that the present airport is being expanded. So, I would like to know whether the Minister is in favour of setting up a new international airport at Devanhalli or he has reconciled himself to the fact that the existing airport, if it is extended, would meet the needs of the increasing passengers as well as the cargo traffic.

SHRI ANANTH KUMAR: Mr. Chairman, Sir, the concern of the senior Member, through his question, regarding the Bangalore International Airport, is really welcome. Bangalore has become a destination for international software market. There is a tremendous potential for commerce, trade and scientific research & development. Therefore, there can be no two opinions regarding Bangalore having an international airport. I want to allay the apprehensions of the hon. Member regarding the feasibility of the international airport. But, time and again, for the last five years—it pains me to state before the House—there have been differences of opinion regarding the extent of the land, per unit cost of the land, the share of the traffic between the HAL and the proposed airport. Therefore, I have been taking steps to resolve some of these contentious issues by having discussions with the Chief Minister of Karnataka, and with their officials as well as our officials. For the last two years the Bangalore International Airport has become a sort of *trishanku*. Now, I want to make it a ground reality...(*Interruptions*)... Just a minute. I have not completed my reply.

Secondly, as far as extension of the present airport to meet the international standards is concerned, I feel that there is a need for a short-term plan. When I inspected the present domestic airport of Bangalore, which is a civilian enclave in HAL air field, I was informed that the runway of the present airport can be extended. At present it is around 10,500 feet. But, as per the international standards it has to be extended up to 12,500-13,000 feet. When I visited the present airport the officers told me that it could be extended up to 13,000 feet within 18 months. I have called for a project report from the HAL also. The preliminary report is ready. Therefore, shortly I am going to consider both the things, that is, the proposal for a new international airport as well as the extension of the existing airport. I do not see any hindrance in taking up both the things simultaneously. The extension of the present airport would require only 18 months, whereas a new international airport would take a longer gestation period. Therefore, once approved, both can go together hand-in-hand.

SHRI S. M. KRISHNA: Before the hon. Minister takes up this question of a new airport with the Chief Minister of Karnataka, would he kindly consult the Defence Minister because I have been informed that the Air Force has raised certain serious objections about the location of the new Bangalore international airport proposed by the Tatas. If he does so, perhaps the decision would become much easier and smoother.

SHRI ANANTH KUMAR: To put the record as it is, on 31st August, 1990, the then Defence Minister wrote a letter to the Ministry of Civil Aviation stating that the present HAL air field will be kept exclusively for the HAL and defence-related use. But in September, 1997, Sir, the then Defence Minister, hon. Shri Mulayam Singhji wrote a letter that:

"यहां मंत्रालय पुनः अपना मत दोहराता है कि एअरलाइनों के प्रचलन के लिए एअरपोर्टों के चयन की स्वतंत्रता होनी चाहिए। इससे प्रतिस्पर्द्धात्मक दक्षता आएगी और एकाधिकार समाप्त होगा। हिन्दुस्तान एरोनॉटिक्स लि॰ में पहले से ही स्थापित सुविधाओं का राष्ट्रीय हित में उपयोग किए जाने की आवश्यकता है।"

That means he was opposed to the non-sharing of aviation between the two airfields, the proposed new airfield and the present airfield. That was the letter written to the Civil Aviation Ministry by the then Defence Minister. I agree with the hon. Member that there had been some reports in the newspapers that the Defence Ministry has raised some objections regarding, especially having a Yelahanka airfield near that proposed location. Therefore, it may hamper the whole aviation activity. I will be having a dialogue with the Defence Minister also. To put it straight, it was in a *trishanku* situation; I want to make it a ground reality.

SHRI S.M. KRISHNA: If it is not totally grounded, I will be quite happy.

SHRIMATI JAYANTHI NATARAJAN: Considering that these airports which have been designated as international hubs, the question of safety is of primary importance. The Raytheon Radar Project has not yet been commissioned from 1995 till today. I would like to know what steps the Minister will take. The radar set-up presently available in Delhi and Mumbai airports is very old. What steps is the hon. Minister taking to see that Raytheon fulfils its obligations and puts in the new radar, as it is a question of primary importance to the nation as far as safety is concerned?

Part B of my question is about the new airport at Bangalore. I want to know whether the hon. Minister will consider the objections raised by private airlines and Indian Airlines, that new airports with private ventures such as Tata and other new airports all over the country are allowed to fix their own rates for landing charges. For Indian Airlines and private airlines if the landing charges go disproportionately high, with regard to Bangalore Airport will the Government take a decision to allow the airlines to have the freedom to choose between the two airports? Particularly if the private airlines are allowed to charge such rates as are convenient to them, this may be a very heavy burden for the private airlines and Indian Airlines. I would like to know if the Minister will take a view on this when he discusses the issue of the new airport.

SHRI ANANTH KUMAR: Mr. Chairman, Sir, I really welcome the indulgence of my predecessor regarding this. But, I feel both the supplementaries which have been so generously allowed in one supplementary do not purport to the main question. But, I will answer them.

Number one, Sir, the question is regarding safety guidelines. She has asked about MATSBD (Modernization of Air Traffic System in Mumbai and Delhi). They are on the anvil, especially, from Delhi part of it which we are getting commissioned very soon. I think top priority has been given to the commissioning of both the things within six months. All the steps regarding that have been taken.

Regarding the second question, that is sharing of the traffic between HAL and the proposed new airports, it is a matter for discussion. Therefore, for this I am having a discussion with the Chief Minister of Karnataka. I hope that there is every possibility of sorting it out by having a discussion with the airlines also, private as well as Indian Airlines.

DR. MANMOHAN SINGH: Mr. Chairman, Sir, some three years ago, the Government of India had announced a decision to upgrade the Guwahati Airport into an international airport. Three years have passed. Yet, a notification to this effect has not been issued. Will the hon. Minister enlighten the House as to why this notification has not been issued so far; and when does he expect the notification to be issued?

SHRI ANANTH KUMAR: Regarding the Guwahati Airport, Sir, the matter is under consideration. We will expedite it.

DR. MANMOHAN SINGH: Thank you.

श्री संजय निरुपम: सभापति महोदय, मैं आप के माध्यम से मंत्री महोदय से सब से पहले तो यह जानना

चाहता हूं कि महाराष्ट्र में मुंबई के पास जो एक नया अंतर्राष्ट्रीय हवाई अड्डा बनाने का प्रस्ताव है और जिस बारे में महाराष्ट्र सरकार ने, भारत सरकार को पत्र लिखकर अनुरोध किया है, वह प्रस्ताव आप के मंत्रालय में कहां लंबित पड़ा है? दूसरी बात, मैं यह जानना चाहता हूं कि मुंबई में जो अंतर्राष्ट्रीय एअरपोर्ट आलरेडी है, सहार एयरपोर्ट, उस एअरपोर्ट के इंफ्रास्ट्रक्चर के साथ-साथ उस के नामांतरण का भी एक प्रस्ताव है जिस के बारे में महाराष्ट्र सरकार की तरफ से केन्द्र सरकार को कई बार पत्र लिखा जा चुका है कि सहार एअरपोर्ट को छत्रपति शिवाजी का नाम दिया जाये। मैं जानना चाहूंगा कि इस प्रस्ताव का क्या हुआ और नए अंतर्राष्ट्रीय एअरपोर्ट बनाने के संबंध में क्या प्रगति हो रही है?

SHRI ANANTH KUMAR: Sir, regarding the proposed international airport in Mumbai, we have to set up a committee. After the setting up of the committee, it would go into the details of the new international airport, especially, about its location.

Secondly, as regards the renaming of the present airport in Mumbai, it does not purport to the main question. However, if at all there is a proposal from the State Government, we will actively consider the same.

श्री संजय निरुपम: यह प्रस्ताव आप के मंत्रालय में बहुत दिनों से पड़ा हुआ है। मेरे कहने का अर्थ यह है कि आप चूंकि शिव सेना और भारतीय जनता पार्टी के एलाएंस में से एक पार्टी से जुड़े हुए हैं और उस पार्टी का ऐसा मत है, भारतीय जनता पार्टी का ऐसा सुझाव है कि अंतर्राष्ट्रीय एअरपोर्ट का नामकरण छत्रपति शिवाजी के नाम पर होना चाहिए। इसलिए मेरा सुझाव है कि इस प्रस्ताव को गंभीरता से लिया जाये तो यह काम हो सकता है।

MR. CHAIRMAN: According to the hon. Minister, there is no recommendation, yet, of the State Government. When it comes, they would consider it.

Dr. Raja Ramanna. *(Interruptions)*

SHRI SATISH PRADHAN: Sir, the proposal is already there. *(Interruptions)*

MR. CHAIRMAN: Please sit down. Dr. Raja Ramanna, please. *(Interruptions)*

DR. RAJA RAMANNA: Mr. Chairman, Sir, I am a frequent user of the Bangalore Airport and I would like to say the following things.

Now that the new airport has still not been thought of, I would request the hon. Minister to reconsider the whole idea of using the present airport, i.e. HAL, as well as going in for a new one. I say this because what has not been done is to take into account the fact that Bangalore City has turned into a megalopolis. The area around HAL has become so congested that it is very difficult to reach even the present airport. Huge buildings have come up in this area. The traffic situation has become terrible. As regards the proposed airport at Yelahanka, it is on the other side. It is far away from the other growing cities of Karnataka. Therefore, I think, a new place should be thought of.

I would suggest to the hon. Minister—since he is new to the posititon—to reconsider the whole thing and not unnecessarily put Bangalore into a terrible situation which will be the case if the new airport comes at HAL or Yelahanka.

Thank you, Sir.

MR. CHAIRMAN: Question No. 184. *(Interruptions)*

डा० वाई लक्ष्मी प्रसाद: सर, हैदराबाद को छोड़ दिया गया है।....**(व्यवधान)**...

MR. CHAIRMAN: Please sit down. Question No. 184, please. *(Interruptions)*

Suggestion of ADB for Devaluation of Rupee

*184. SHRI KRISHNA KUMAR BIRLA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Asian Development Bank (ADB) had recently suggested to Government for the devaluation of the Indian rupee;

(b) if so, the details thereof; and

(c) the reaction of the Government with regard thereto?